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### THE SOUTH TYROL PROBLEM BEFORE THE UNITED NATIONS

**Austrian Foreign Minister Bruno Kreisky addresses General Assembly – The fate of 250,000 people at stake**

In case the bilateral negotiations between Italy and Austria on an improvement in the situation of the South Tyrolean population should not lead to a satisfactory result, Austria will ask the United Nations to take up the problem as soon as possible. This alternative was the central point of the policy speech made by Federal Minister for Foreign Affairs Dr. Bruno Kreisky September 21 during the general debate in the UN General Assembly. Dr. Kreisky who described the situation of the South Tyroleans as a serious social and economic problem in spite of certain leeway given them in the cultural field, recalled in this connection the introduction of a bill by a South Tyrolean representative in the Italian parliament asking that autonomy be given to the Province of Bozen whose population was mainly German-speaking. Dr. Kreisky mentioned the principle of the American Declaration of Independence which held that governments derive their just powers from the consent of the governed.

Foreign Minister Kreisky told the UN General Assembly:

"Austria is not a large country; our contribution to the solution of world-wide problems is necessarily a modest one. It is nevertheless incumbent upon us to do our part, and to state our views before this assembly.

Everywhere in the world the question is now being discussed whether a summit meeting might assure us a peaceful development. There have been frequent warnings against too much optimism on that score – warnings that may be well justified. It may be useful to recall, however, that there have been some fruitful high-level conferences. The Berlin foreign ministers' conference of 1954, for instance, while it did not succeed in solving the German question, paved the way for a settlement of Austria's case; and, at the same conference, agreement was reached on the convocation of the Geneva talks which finally led to a termination of military conflict in Indo-China. Finally, about one year later, the Four Powers' foreign ministers' conference restored Austria to sovereignty by giving her the State Treaty.

There was a marked thaw of the political climate at that time. Austria was allowed to join the United Nations and thus affirmed her intention to take part in the solution of the political problems of our time – whether they be her immediate concern or not.

Our time is overshadowed by the threat of the staggering destructive power given into human hands. We therefore consider the agreement reached between the Soviet Union, the United Kingdom and the United States concerning a

(Continued on page 2)

### AMBASSADOR MATSCH ELECTED CHAIRMAN OF UN GENERAL ASSEMBLY'S POLITICAL COMMITTEE

Austria's permanent representative to the United Nations, Ambassador Franz Matsch, was unanimously elected chairman at the opening meeting of the 14th regular session of the UN General Assembly.

Dr. Matsch was nominated for this responsible post by Dr. Luis Padilla Nervo, Mexico's permanent representative



Ambassador  
Franz Matsch

to the UN. In his speech, Padilla Nervo praised Ambassador Matsch as a diplomat who had been active in the field of international relations ever since 1923 and had always dedicated his great abilities to the service of world peace.

Japanese Ambassador Koto Matsudaira seconded the nomination. The General Assembly then acknowledged the election with considerable applause.

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temporary suspension of nuclear weapons tests a step towards the solution of mankind's most urgent problem. We hope that a world-wide accord on a permanent cessation of such tests will soon be effected—a hope in which we have been greatly encouraged by the auspicious results achieved so far.

The Austrian Government welcomes the prospect of the spirit of conciliation asserting itself at last. And it welcomes

The Tyrol, 1914 and Today



- 1, 1A: North and East Tyrol; today Austria's Land Tyrol.
- 2: South Tyrol; ceded to Italy in 1919.
- 3: Trentino province (Italian speaking); ceded to Italy in 1919.

the decision to make Vienna the headquarters of the Control Organization concerned with the prohibition of nuclear weapons tests.

I should also avail myself of this opportunity to express, in the name of the Austrian Government, my sincere appreciation for this decision to the Governments of the Soviet Union, the United Kingdom, and the United States, and to declare that Austria will make all the necessary provisions for the establishment of an institution of such world-wide importance.

There is yet another recent decision which appears to confirm our cautious optimism: it is the appointment of a Ten-Power-Commission on Disarmament which will convene early next year in Geneva. We are happy to see the initiative taken by the United Nations thus come to fruition; and we trust that the final decision will be left to the United Nations as the ultimately competent authority in this field.

Austria, needless to say, has full confidence in the principle of the peaceful settlement of disputes—a principle fully applicable to the question that ranks among the highest of our foreign affairs, namely the question of the South Tyrol,

whose cultural and economic development must be safeguarded and whose ethnic substance must be preserved.

Clearly this is a problem which can only be solved in the spirit of the United Nations Charter, whose aim it is "in conformity with the principle of justice and international law," to bring peaceful means to bear on the settlement of international disputes, and to "develop friendly relations among nations."

#### South Tyrol's Tragic Fate

The Saint-Germain treaty of 1919 severed the southern part of the Tyrol from Austria and made it part of Italy. The South Tyrol now is a territory of 2860 square miles with a population of roughly a quarter million Tyrolese.

Under the Fascist regime, South Tyrol suffered the consequences of a sustained campaign of de-nationalization. Even the children were prevented from receiving instruction in their own language and finally, in 1939, an agreement between two dictatorships led to the displacement of ten thousands of families. After the end of World War II, all attempts to find an equitable solution of the problem of the South Tyrol ended in failure. I should like to stress in this context that it was not only Austria which considered this state of affairs unjust and, indeed, untenable. For instance, an "Italian Manifesto" appeared in the American press as



More than 100,000 Tyroleans used the celebrations commemorating Andreas Hofer in Innsbruck on September 14th to demonstrate for the cultural unity of the Tyrol. Among the guests of honor participating in the celebrations were: Austrian Federal President Dr. Adolf Schaerf, Federal Chancellor Julius Raab and the Civil Governor of South Tyrol, Mr. Papp.

early as 1944; it was signed by prominent political leaders, scientists and artists, among them Randolfo Pacciardi, Professor Giuseppe Borghese, Professor Gaetano Salvemini, and Arturo Toscanini. In this manifesto it was even suggested that Italy relinquish her control over the ethnic minorities in the extreme North and North-East of her territory.

In 1946, Italy and Austria reached an agreement which, it was then hoped, would assure the South Tyrol a cultural and economic development unhampered by restrictions. This agreement which, as Annex 4, is a part of the Italian peace treaty, expressly provides for "special measures to protect



the national character and the cultural and economic development" of the South Tyrol; it also grants this minority group autonomous legislative and executive powers.

And yet, the correct interpretation of the Paris agreement has been subject to differences between the governments of Italy and Austria ever since.

Let me briefly summarize the situation in South Tyrol:

There can be no doubt that, compared with the Fascist era, the South Tyrol is relatively free from restrictions in the cultural field. The social and economic area, however, presents a different picture. Here the situation is indeed serious.

Let me say at once that the South-Tyrolean are an extremely vital ethnic group. And yet, the present practice of the administration undermines the very foundations of their existence on their native soil. It discriminates against them when they look for employment; and, as far as housing is concerned, it may be apposite to point out that only 7 per cent of the apartments built with government aid in the South Tyrol have been made available to its indigenous inhabitants. This is indeed a gross and incomprehensible discrimination; it has compelled many thousands of young South-Tyrolean to emigrate.

The South Tyrol problem which, of course, remains a national question, is increasingly becoming a social and economic concern. It is one of the more tragic aspects of the problem that, in a court of law, a South-Tyrolean will probably be faced by a judge with whom he cannot communicate in his own language. Among those to whom jurisdiction over the South Tyrol — a population of a quarter million — is entrusted, there are only five South-Tyrolean judges.

The parliamentary representatives of the South Tyrol have repeatedly sought redress of this utterly unsatisfactory state of affairs; they have also submitted a draft bill outlining the proper autonomous status for the region of South Tyrol.

In their draft, the representatives of the South Tyrol insist on their people's right to use their own language in public life, to claim their share in public office in proportion to their population, and, finally, to create conditions requisite to the equality of opportunity in their daily lives, paying particular attention to housing and employment.

#### Autonomy for Bozen Province

The Austrian Government cannot but endorse these just aspirations. Clearly, there is no other way to implement the Paris agreement, in spirit as well as in fact, but to create an autonomous Province of Bozen. Indeed — is there any other way of assuring an ethnic minority its full democratic rights than to grant it self-administration? —

It is only thus that an ethnic minority may claim to profit from the principle inherent in the Magna Charta of modern democracy, the Declaration of Independence of the United States of America, according to which governments derive their just powers from the consent of the governed.

In the true spirit of the Paris Treaty, the Austrian Government will continue to claim its proper share in the

implementation of that international agreement. Should, however, bilateral negotiations not succeed in creating conditions satisfactory for a minority of 250,000 in a nation of almost 50 million, Austria will have no alternative but to appeal to the United Nations to put this question on its agenda at the earliest possible moment.

It is quite evident that it is neither spite nor hostility against our Italian neighbor that compel us to state the case of South Tyrol. Indeed — how could we have hostile feelings against a nation which, for many centuries, we have been



*South Tyroleans displayed an iron crown of thorns to show their sorrow over the dismemberment of Tyrol when they formed the historical parade which was the culminating event of the Andreas Hofer-Year in Innsbruck.*

bound by mutual ties of commerce and trade, a nation whose abundant spiritual heritage has greatly enriched our own culture.

It is, let me repeat, not enmity which motivates our step, but the responsibility which rests upon us. It is, moreover, the restlessness of thousands of young people of the South Tyrol, who want to plan their future and to shape their lives, as young people do elsewhere in the world.

Nothing divides us from our Italian neighbor but this open question. If a solution can be found which the South-Tyrolean can accept, new avenues of fruitful cooperation would be opened up in our part of Europe."

The Foreign Minister's speech was warmly applauded by a great many of the representatives of 82 nations. Austrian participants in the session were: State Secretary in the Austrian Foreign Ministry, Prof. Dr. Franz Gschnitzer, the permanent Austrian representative at the United Nations, Ambassador Dr. Frans Matsch, the Austrian Ambassador in Washington, Dr. Platzer, the director of the Political Department of the Foreign Ministry, Envoy Dr. H. Haymerle, and the Members of Parliament Prinke (People's Party), Zechtl (Socialist Party) and Zeillinger (Freedom Party).

### ANSWERING MINISTER PELLA

Answering the statements made by the Italian Foreign Minister Giuseppe Pella concerning South Tyrol, Dr. Kreisky, on September 25th, made the following remarks:

"His Excellency the Foreign Minister of Italy spoke of a free referendum, through which the population of the South Tyrol expressed its will at the end of the Second World War.

Well, what has really happened in the South Tyrol?

In 1939, Mussolini and Hitler agreed to 'resettle' the indigenous population of the South Tyrol. A simple choice was offered to the South-Tyrolese: to emigrate or to renounce their ethnic personality. Faced with such pressure, the majority of South Tyrolese to emigrate.

The war prevented the full implementation of the resettlement agreement. Nevertheless, 70,000 South Tyrolese left their native country.

After the end of the war, the Anglo-American forces inhibited further displacements.

In the Paris Agreement concluded in 1946, Italy renounced the policy of resettlement, which in fact implied a partial redress of the wrongs committed under the two dictatorships against the population of South Tyrol.

Italy insisted, however, that a declaration of 'reoption' should be made not only by those who had emigrated and then wished to return, but also by those who had remained.

The South-Tyrolese were presented with the alternative: either to render the declaration that was demanded of them, or accept an uncertain future as a people without citizenship.

Really, can such a choice be considered a freely expressed referendum? I leave it to this assembly to pass judgement on this question.

As far as the South-Tyrolese are concerned, their freely expressed opinion was demonstrated by the fact that in April, 1946, 123,700 of them - that is almost the entire population of voting age - petitioned for a free plebiscite.

If Mr. Pella finally states that no minority is treated more liberally than the South-Tyrolese - why not grant them, for instance, the autonomous rights enjoyed by the Swedish minority on the Finnish Aland Islands?"

### STATE SECRETARY GSCHNITZER: "AUTONOMY FOR SOUTH TYROL."

"The Tyrol's fight for its rights to freedom," - that was the subject of a lecture given recently by Austrian State Secretary Gschnitzer during the "European Talks" in Alpach. The 1809 war of independence had shown the world best just what kind of people the Tyroleans were, Dr. Gschnitzer said by way of introduction. From that war, he said, conclusions may be drawn on the special qualities of the country and its inhabitants.

The speaker cited the Tyrol's history and declared that the Tyrol, too, had its Magna Carta - which gave freedom and privileges not only to the ruling classes - worldly and spiritual - but also to the citizens at large and the peasants. Dr. Gschnitzer then described the Tyroleans, fight

for freedom and an undivided nation from the first efforts to suppress them down to the present. He paid special attention to the Tyrol's division in favor of Italy after the first World War.

He asked: "Had not (President) Wilson announced in his 14 Points that the Austro-Italian border would be drawn according to clearly knowledgeable national lines and that the peoples of Austro-Hungary would be granted the right of self-determination?"

Dr. Gschnitzer continued: "Well, the real national border for a thousand years has been a Salurn. In the area north of Salurn to the Brenner only 3% of the population was Italian. Yet, the border was inked in at the Brenner, and 250,000 Tyroleans found themselves in Italy. The South Tyroleans were refused the right of self-determination which they demanded. The Italian government had promised them protection of their own national existence, but it has not kept this promise.

What happened, Dr. Gschnitzer said, was an immediate effort at Italianization. It was a tragedy which broke over the South Tyrol in 1918, he declared.

During the era of fascism, he continued, suppression and Italianization increased. But those who thought that these efforts had come to a halt with the end of the dictators were mistaken, Dr. Gschnitzer said.

The expectations which had been put on the Gruber-Degasperi Agreement, the fulfillment of the promise of autonomy which had been made the South Tyroleans, were disappointed, he declared. On the contrary, he said, the policy of assimilation and progressive Italianization was continued so that the region as a whole now had an Italian majority. No longer could one talk of self-administration and self-government, he averred.

Dr. Gschnitzer continued:

"The desire of the South Tyroleans - assisted by Austria - thus aims at autonomy for the South Tyrol alone, that is the German- and Latin-speaking area. This is the old fight for the Tyrol's right to freedom in new form. What that part of the Tyrol which remained with Austria now has in its territorial autonomy shall also be given to the part which is under Italian control. Thus, the historical and cultural relationship of the politically divided areas could be preserved to a certain degree, especially when in a future unified Europe national borders turn into administrative borders."

The state secretary said in conclusion that it was now up to the Christian Western world to give proof that it knows how properly to weigh such values as freedom and self-responsibility and that it will not give up a nation which truly preserves these values and works for them with all its strength. If they should let it down, he said, they would give up their principles, that nation and themselves. The South Tyrol, he declared, is for the Western world an example showing how dangerous it is to violate principles.

### THE STORY OF THE TYROL PROBLEM

The South Tyrol problem came about through the transfer of the Tyrol south of the Brenner Pass to Italy which the Allies of the first world war forced Austria to accept in accordance with



the peace treaty of St. Germain-en-Laye of 1919. The United Kingdom, France and Russia had promised Italy in a secret treaty concluded in London on the 3rd of May, 1915, that they would transfer the Tyrol south of the Brenner Pass to Italy on condition that Italy entered the war on the side of the Allies.

#### President Wilson on South Tyrol

The transfer of South Tyrol and in particular of South Tyrol proper between the Brenner Pass and the Defile of Salurn which at that time only had 7,000 Italians in a total population of 250,000 was in complete contradiction with the 14 points proclaimed by President Wilson on the 8th of January, 1918, as well as with subsequent statements by Mr. Wilson which were part of the conditions of the armistice accepted by the Austrian-Hungarian Government on the 27th of October, 1918. The following statements by President Wilson should especially be emphasised in this connection (The U.S.A. were not signatories either of the secret agreement of 1915 or of the Peace Treaty of St. Germain):

"A readjustment of the frontiers of Italy should be effected along clearly recognisable lines of nationality."

(Address of January 8, 1918)

"Peoples and provinces are not to be bartered about from sovereignty to sovereignty as if they were mere chattels and pawns in a game."

"Every territorial settlement must be made in the interest and for the benefit of the populations concerned, and not as a part of any mere adjustment or compromise of claims amongst rival states."

(Address of February 11, 1918)

"The settlement of every question, whether for territory, of sovereignty, of economic arrangement, or of political relationship, upon the basis of the free acceptance of that settlement by the people immediately concerned, and not upon the basis of the material interest or advantage of any other nation or people which may desire a different settlement for the sake of its own exterior influence or mastery."

(Address of July 4, 1918)

#### Brenner Pass Border Deplored

The transfer of South Tyrol to Italy in the year 1919 was subsequently deplored and considered a mistake also by those statesmen of the victorious powers who were responsible for the peace arrangements of the first world war and therefore also for the Peace Treaty of St. Germain-en-Laye. This can clearly be seen from the following quotations:

PRESIDENT WOODROW WILSON: "Already the President had unfortunately, promised the Brenner Pass boundary to Orlando, . . . — an action which he subsequently regarded as a great mistake and deeply regretted."

Ray Stannard Baker, Woodrow Wilson and World Settlement, New York, 1922, vol. II, p. 146.

"I am sorry for that decision. I was ignorant of the situation when the decision was made."

Ray Stannard Baker, American Chronicle, New York, 1945, p. 433.

In May, 1919, President Wilson said to Charles Seymour that his own approval of the Brenner frontier was "based on insufficient study."

Charles Seymour, The Intimate Papers of Colonel House, Boston and New York, 1928, vol. IV, p. 435.

Excerpts from the booklet "The Problem of South Tyrol" by Dr. Heinrich von Siegler.

Readers of "Austrian Information" can obtain this booklet free of charge from the Austrian Information Service, 31 East 69th Street, New York 21, N.Y. — *The Editor*

#### 1959 NANSSEN PRIZE TO OSKAR HELMER

According to an announcement by the office of the United Nations high commissioner for refugees, the Nansen Medal Committee decided at its recent meeting to award the 1959 prize to former Austrian Interior Minister Oskar Helmer. With this award the committee took note of Helmer's great understanding for the refugee problem and his untiring efforts to aid the refugees. The committee said that his decisive influence was responsible for the fact that hundreds of thousands of people who asked Austria for asylum were, in fact, received in Austria.

Helmer will be given his award during a special ceremony October 13 in the council chamber of the Palais des Nations in Geneva.

The Nansen Medal, first introduced in 1954 by the UN high commissioner for refugees, is awarded annually for excellent and meritorious service in the field of refugee aid.

#### AMERICAN RED CROSS OFFICIALS RECEIVE HIGH AUSTRIAN DECORATIONS

The Great Silver Honor Insignia recognizing meritorious service on behalf of the Austrian Republic was bestowed upon the First Vice President of the American Red Cross, John C. Wilson, and its former Executive Vice President,



From left to right: Mr. John C. Wilson, Senior Vice President of the American National Red Cross; Mr. James T. Nicholson, former Executive Vice President; Miss Catherine A. Switzer, secretary to Mr. Wilson, who served in the American Red Cross staff in Austria throughout most of 1957, Ambassador Dr. Wilfried Platzter.

James T. Nicholson, by the Austrian Ambassador in Washington, Dr. Wilfried Platzter.

Miss Catherine A. Switzer, secretary to Mr. Wilson, was decorated with the Gold Medal in recognition of meritorious service on behalf of the Austrian Republic.

In his speech at the awarding ceremony Ambassador Dr. Platzter emphasized the merits of the recipients of the awards as well as of the American Red Cross in general concerning Austria and in particular during the Hungarian Revolt.

## American Voices on Austria

Wall Street Journal

### AUSTRIA'S LUCK

By William Henry Chamberlin

There was an old saying that, while other countries fight wars to gain territory, Austria was lucky in expanding its frontiers by means of dynastic marriages.

This refers to the old Austrian Empire, which perished beyond hope of revival after the end of the First World War. But Austria, today, shrunk to the proportions of the German-speaking part of the former Empire, seems to have inherited some of the good fortune of the realm of the Hapsburgs.

For a country that was on the losing side in two great wars, that experienced tremendous geographical and economic dislocations after the First World War, that suffered occupation of its eastern provinces until 1955 Austria is remarkably well off.

From the time when all foreign troops pulled out in 1955 and Austria was left with a token army for internal police purposes, it has been the ambition of the nation's leaders to make Austria a second Switzerland, neutral in political status, overwhelmingly attached to the West in religious, cultural and economic ties. Austria has a long way to go to match the Swiss' busy prosperity and high standard of living and the recovery has not been as spectacular as in its big neighbor to the North, Germany. Yet the improvement, in terms of Austria's position between the two wars, is very marked.

Austria in the 1920's and 1930's, until the Nazi takeover in 1938, was a country of chronic and heavy unemployment. Even a foreigner here on vacation could hardly miss the widespread feeling of hopelessness.

#### Inner Strife

The country was also torn by bitter internal strife between Catholic conservatives, strongest among the middle class and the peasants, and Socialists, backed by the majority of the workers in Vienna and in other industrial centers. This led on several occasions to bitter street fighting and after 1934 there was authoritarian conservative rule, which weakened the national unity and desire to resist the Nazi seizure in 1938.

#### NEWS BRIEFS

Haflinger horses, which have special workhorse qualities, are becoming an important Austrian export item. Last year's shipments of these reknowned special-breed Tyrolean horses went to Italy, West Germany, Switzerland, Czechoslovakia and Yugoslavia. For the first time they were exported also to the United States. Stock buyers are likening the rolling pastures of the Tyrol to Kentucky's famous Bluegrass breeding grounds.

...

The Austrian Airlines (AUA) has taken up a one-a-week flight service on the Vienna-Belgrade-Bucharest route this month, as an addition to the company's other regular services.

Finally, the prevalent opinion in Austria was one of profound hopelessness about the ability of the country to stand on its own feet. Most Austrians believed that ultimate survival depended either on union with Germany or on achieving some kind of federation with the Danubian states.

Now there has been a remarkable change all along the line. Severe unemployment has given way to overall employment, with jobs chasing workers, rather than the other way around. This also creates economic difficulties; but of the two extremes it is much the less socially disturbing.

In politics cooperation has replaced the former bitter strife. Private armies and street fights are a thing of the past. The Socialists are much less extreme and the Catholic conservatives, organized in the People's Party, are more tolerant.

About half the Austrian voters support the People's Party, the other half the Socialists (there are no other political parties of any consequence) and the two parties share power in a coalition that has lasted since the end of the war.

The Socialists gained somewhat in the last election; the Foreign Minister and the Minister in charge of nationalized industries are now Socialists, but the People's Party has kept one of its best known figures, Reinhard Kamitz, in the important post of Minister of Finance. It was Kamitz who won credit for extricating the Austrian finances out of the quagmire of inflation and placing the Austrian schilling on a sound stabilized basis.

#### New Resources

One seldom now hears in Austria the idea that the country cannot stand alone. Both the favored pre-war suggestions for change — union with Germany and federation with neighboring states — are out of favor. Austria's recollections of the Nazi period, when the country was merely a neglected province of a "Great Germany" are not happy. Close political ties with such countries as Czechoslovakia, Hungary, Yugoslavia, all under Communist rule, are obviously impractical.

Moreover, Austria has developed resources that were little known before the war. Austrian iron and steel industries have expanded considerably. The country produces a fair amount of oil in the Zistersdorf area, near Vienna; the "white coal" of electric power, derived from its many swift mountain streams, has proved a valuable asset.

The tourist industry for which the country is well adapted because of its picturesque mountain industry and the historic treasures of Vienna and other old cities and towns is booming, with the well-established Salzburg Music Festival as an important attraction. In short, despite its setbacks Austria gives every impression of having learned to live alone — and like it.

#### Christian Science Monitor

#### AUSTRIA RATED TOP IN GROWTH OF ECONOMY

A new analysis of real economic growth has put Austria in first place among all the nations of the West.

An index based on the production increase rate for 1958 over 1957 and the comparative cost-of-living advance



*The Ministry of Finance established an Advisory Office for Investments in Austria at the Austrian Consulate General New York, headed by Dr. Frederick Rapaport to assist American firms in setting up operations in Austria.*

for the same periods, shows that Austria achieved an increase of 2.9 per cent in production and of 2.3 per cent in the cost of living.

Next best was West Germany with a 3.3 per cent gain in production during 1958 and a cost of living rise of 3.8 per cent. Third was Italy with a production rise of 2.2 per cent and an increase in the cost of living of 2.8 per cent.

The United States took 12th place for 1958, with a 6.5 per cent loss in production and a 2.8 per cent rise in the cost of living.

Industrial growth, viewed over a period of five years, shows somewhat similar results. Austrian production jumped 50 per cent between 1953 and 1958. This rate of increase put Austria up with the leaders - West Germany, which showed a 52 per cent advance in the five-year period, and France, which gained 53 per cent.

Italy was fairly close, with an industrial production jump of 41 per cent over the five years, while the Netherlands (26 per cent), the Scandinavian countries (about 20 per cent), Canada (17 per cent) Belgium (15 per cent), and Great Britain (14 per cent) came up behind. The United States, by this index, again took last place among the major Western powers, actually showing a decline, due to last year's recession. But even 1957 (before the full impact of the recession was felt) disclosed a mere 7 per cent rise in production over 1953.

Many Austrian observers attribute much of the country's success to the currency stabilization and anticyclical fiscal policies instituted by Finance Minister Reinhard Kamitz. He is, for instance, generally credited for Austria's remarkably sound currency, which this spring achieved a gold and hard foreign currency cover of 121 per cent as compared to 14 per cent when he took office in 1952.

Dr. Kamitz has just begun a three-week visit in the United States. He will meet with American bankers and business executives. No doubt Austria's experiences and attitudes bringing about such real growth will be a constant topic of discussion.

#### AUSTRIA MAY CUT ITS BANK RATE

The Austrian government will probably reduce its bank rate (central bank discount rate) this Fall, according to Oscar Henisch, president of the Laenderbank, one of Austria's top commercial banks.

Mr. Henisch, here to attend next week's meetings in Washington of the World Bank and International Monetary Fund, reports that the Austrian shortterm money market is in a highly liquid position. The supply of funds has been enlarged by a substantial inflow of foreign exchange from the Summer tourist trade and foreign obligations. In con-

tract with the U.S., Austrian banks are hard pressed to find adequate investment outlets.

The Austrian bank rate was cut this Spring from 5 per cent to 4½ per cent. Mr. Henisch expects a further reduction of one-half of 1 per cent.

#### WORLD BANK LOAN FOR AUSTRIA

On September 25, the World Bank made a loan of \$9 million to provide funds for investments in industrial enterprises in Austria.

The loan was made to the Oesterreichische Investitionskredit A.G. (Austrian Investment Credit Corporation) which will make the proceeds available to private industrial companies for the expansion or modernization of their plants.

After having been approved by the Bank's Executive Directors, the loan documents were signed by Dr. Reinhard Kamitz, Federal Minister of Finance, on behalf of the Austrian Government and by Dr. Eduard Karlik and Eduard Schmidt, directors of the Oesterreichische Investitionskredit A.G.

#### THE SHELTERS IN THE MOUNTAINS OF AUSTRIA

have contributed greatly toward making the Austrian Alps the preference of numerous mountain lovers, while good



*The Archduke Johann Hut on the Adlersruhe of the Grossglockner.*

approach roads into the most remote valleys and excellently marked mountain paths, indicating a large choice of possibilities for mountain hikes and climbing tours, have increased

their popularity. The first tourist shelter was built in the Leiter Valley near the Grossglockner in 1799. Since then a whole network of shelters at all altitudes has been developed and maintained in Austria. This network extends from the Vienna Woods to the highest glaciers of Tyrol and Vorarlberg, and accommodations range in size and equipment from the simplest refuges against inclement weather to comfortably furnished mountain hotels. The Alpine organizations now have in Austria a total of about 620 shelters, a large number of which are operated the whole or at least a major portion of the year. The essential difference between the shelters of these Alpine clubs and the even more numerous privately-owned mountain inns and hotels is that the tourist clubs usually construct their shelters as bases in yet undeveloped areas. From these bases many particularly beautiful districts and destinations in the upper mountains are easily accessible to tourists, while private accommodation places in these regions serve visitors to the already developed and, therefore, more heavily frequented areas. The prices for staying overnight in the shelters of the Alpine clubs are, on the average, very reasonable, and club members are granted additional reductions. Mutual agreements exist between touring clubs of Austria and similar organizations in foreign countries whereby members are assured of the same preferential treatment at home and abroad.

## 52 NATIONS REPRESENTED AT UNIVERSITY OF VIENNA FORUM

The "International College Courses" at the University of Vienna which this year take place under the motto of "Austria and Europe" were opened September 7 in the university auditorium by Austrian Education Minister Drimmel. Within the framework of these courses which ended September 25, well-known lecturers and scientists from Austria and foreign nations will speak on many problems, including philosophy, culture, history, law, economics, literature, art, music and medicine. The president of the seminar, Dr. Leo Gabriel, pointed out in his address that the courses had become truly international for no less than 1,550 representatives from colleges in 52 nations were participating in the global discussions.

## SALZBURG MOZART FESTIVAL IN JANUARY

The International Mozarteum Foundation will hold a Mozart Festival Week in Salzburg, January 24 through 28. The program will include orchestral presentations of the Stuttgart Chamber Orchestra under Karl Muenchinger, the Bamberg Orchestra under Joseph Keilberth, and the Mozarteum Orchestra under Wolfgang Sawallisch. A chamber music concert will be given by the Feld Quartet of Redland University, and Sylvia Rosenberg, of New York, will be the violin soloist in a concerto. The works to be offered include compositions by Mozart, Haydn and Beethoven.

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